

ECONOMIC HIGHLIGHTS – MARCH 2006 (PART 1)

The following were notable economic issues in T&T during the first half of March:

1. Airports Authority cancels Calmaquip contract
2. Cellular interconnection negotiations continue
3. CARICOM considering FTA with USA
4. Music piracy conviction sets precedent

1. Airports Authority cancels Calmaquip contract

On March 10, the Airports Authority of Trinidad and Tobago announced that only after six years it canceled a Ten-year service contract with Florida-based Calmaquip Engineering Corporation. Calmaquip was responsible for maintenance of equipment and facilities at Piarco International Airport (POS). While there was no stated reason for cancellation of the contract, it comes while Calmaquip CEO Raoul Gutierrez is among those facing charges for bid rigging and other corrupt practices during construction of the airport terminal. That process is ongoing.

2. Cellular interconnection negotiations continue

TSTT, Digicel, and Laqtel are moving toward possible interconnection by March 31. Telecoms Authority of T&T formed an arbitration panel to deal with pricing differences between Digicel and TSTT. Meanwhile, the other new market entrant, Laqtel, revealed that it was ending an agreement with SaskTel International that was signed in November. Laqtel is now reportedly in talks with Bell Canada.

3. CARICOM considering free trade agreement with USA

CARICOM Regional Negotiating Machinery (RNM) is reportedly conducting a study for member states on the merits of a free trade agreement with the USA. According to reports, this comes at a time of increased U.S. interest in the region in response to growing influence of Hugo Chavez and China in the region. In the absence of any FTAA, the RNM is seeking to maximize the benefits of the Caribbean Basin Economic Recovery Act (CBERA) and the Caribbean Basin Trade Promotion Act (CBTPA), for future CARICOM relations with the U.S.

4. Music piracy conviction sets precedent

March 15 marked a precedent in Trinidad & Tobago with the sentencing of a Trinidadian to serve seven days in jail for CD piracy. The sentence, the first action of its kind here, came when he violated a court order to discontinue selling pirated music. Upon completion of his sentence, the businessman will face the threat of a fine of TT\$5,000 (US\$800) for every day he is found selling pirated music. The court decision pleased Copyright Organization of Trinidad & Tobago (COTT), whose president, Lutalo Masimba (AKA Brother Resistance) reportedly said: "This should be a signal to all the people who are selling the works of our members illegally." He expressed hope that this was the beginning of consistency in dealing with music piracy, showing that "the war has only just begun."